Investment by NRIs

†2993. SHRI LALIT KISHORE CHATURVEDI: Will the Minister of FINANCE be pleased to state:

the number of Indian companies and private entrepreneurs allowed investment abroad during the year 2005-06 and 2006-07 and outflow of money involved therein;

the number of NRI foreign corporate institution allowed for investment in capital account in India during the same period and the amount invested by them; and

the sectors where this investment has been made?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The phased liberalization of the policy of overseas investments has enabled Indian corporates to invest up to 400% of their net worth overseas without any prior permission from the Reserve Bank of India (RBI). The Authorized Dealers of the RBI subsequently report the outflows which are then maintained in the database of the RBI. While the RBI's database accounts for each remittance separately, the details of the number of companies that have made the remittances overseas are not separately maintained by it. The details of investments made abroad by Indian companies and private entrepreneurs during the years 2005-06 and 2006-07 and the outflow of money involved therein are given below:—

Total outflow in USD (million)

Activity	2005-2006	2006-2007
Financial Services	159.80	28.10
Manufacturing	3407.40	3543.50
Non financial Services	894.50	7485.85
Others	205.43	1479.11
Trading	377.46	654.96
GRAND TOTAL:	5044.59	13191.52

(b) and (c) A company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non-Resident Indians or an overseas trust in which not less than sixty per cent beneficial interest is held by Non-Resident Indians directly or indirectly is called Overseas Corporate Body (OCB). OCBs have been de-recognised as eligible class of investors *vide* Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003 dated 3.10.2003. No OCB has thus been allowed to invest afresh in India after 3.10.2003.

Service Tax on House Rent

†2994. SHRI BANWARILAL KANCHHAL: Will the Minister of FINANCE be pleased to state:

(a) whether he is aware that there is a provision in the act for payment of service tax to the house owner on the income received from tenancy whereas the tenanats refuse to pay the same to house owner;

† Original notice of the question was received in Hindi.